

# Joint Review Panel

Established to review the **Pierre River Mine Project**

Canadian Environmental Assessment Agency, 160 Elgin Street, 22<sup>nd</sup> Floor, Place Bell Canada, Ottawa, ON, K1A 0H3, 613-948-2674  
Alberta Energy Regulator, 9915 Franklin Avenue, Provincial Building, 2<sup>nd</sup> Floor, Fort McMurray, AB, T9H 2K4, 780-743-7259

February 25, 2015

The Honourable Leona Aglukkaq  
Minister of the Environment  
Les Terrasses de la Chaudière  
10 Wellington Street, 28<sup>th</sup> Floor  
Gatineau, Quebec  
K1A 0H3

Mr. Jim Ellis  
CEO, Alberta Energy Regulator  
1000, 250 – 5 Street SW  
Calgary, Alberta  
T2P 0R4

Dear Minister Aglukkaq and Mr. Ellis:

I am writing to you as the Chair of the Joint Review Panel (Panel) considering the Pierre River Mine (PRM) project applications. The federal Minister of the Environment and the Alberta Energy Regulator (AER) established the Panel through an agreement signed on May 30, 2012, that set out the Panel's authority and the terms of reference for the Panel's review of the project.

My purpose in writing is to advise you that on February 23, 2015, Shell Canada Energy, the PRM project proponent, advised the Panel that it was formally withdrawing its PRM project applications. A copy of that letter is attached. In its capacity as a hearing panel of the AER, the Panel has accepted the withdrawal of the applications.

While the Panel has ceased work under the above-noted agreement and terms of reference, the Panel requests that both of you advise us in writing that there is no longer a need for an environmental assessment of the PRM project and that the joint review proceeding is terminated.

We look forward to receiving your respective responses in due course.

Yours truly,

<original signed by>

Alex Bolton  
Joint Review Panel Chair

cc: Ron Hallman, President CEAA



February 23, 2015

Pierre River Mine Project - Joint Review Panel  
Canadian Environmental Assessment Agency  
160 Elgin Street, 22<sup>nd</sup> Floor  
Place Bell Canada  
Ottawa, ON K1A 0H3

Shell Canada Energy  
400 – 4<sup>th</sup> Avenue S.W.  
P.O. Box 100, Station M  
Calgary, Alberta T2P 2H5  
Tel (403) 691-3111  
Internet [www.shell.ca](http://www.shell.ca)

Attention: Mr. Alex Bolton – Joint Review Panel Chairman

**RE: Notice of Withdrawal of the Pierre River Mine Project Applications  
Canadian Environmental Assessment Registry No. 59539**

Dear Mr. Bolton:

This letter is to advise the Joint Review Panel (“JRP”) established for the Pierre River Mine (“PRM”) project that Shell Canada Energy (“Shell”) has decided to formally withdraw its PRM project applications from the federal environmental assessment process currently being conducted pursuant to the *Canadian Environmental Assessment Act, 2012*, as well as the provincial review processes administered by the Alberta Energy Regulator.

On February 11, 2014, Shell requested from the JRP a one-year delay in the federal environmental assessment process for the PRM project in order to allow Shell to re-evaluate the project development timeline, and amend the environmental impact assessment as appropriate. Shell committed to provide its updated development timeline within one year of Shell’s request to the JRP.

On February 13, 2014 the JRP granted Shell’s request for a delay, and directed Shell to submit quarterly updates to the JRP which were provided to the JRP on May 13, 2014; August 13, 2014; and November 13, 2014. The JRP also indicated that it required further information to conduct its review, and on March 18, 2014, the JRP issued 26 supplemental information requests (“SIRs”) to Shell.

Since initially requesting a delay in the environmental assessment process, Shell has undertaken work in several different areas with the intention of advancing the PRM project, which has included:

- additional environmental field work in 2014;
- re-evaluation of the project development timeline;
- review of the SIRs issued by the JRP;

- revision of the mine plan to incorporate oil sands leases 14 and 352, as well as an alternative external tailings facility location; and
- collaborations with government and Aboriginal groups on the methods to be applied with regard to regional study area sizing, and assessing potential project effects to Aboriginal culture and heritage.

In parallel to the progress that was being made on the items listed above, Shell also undertook an internal assessment that considered how it would develop PRM while maintaining a competitive business and ensuring successful delivery of existing operations and near-term growth projects. Based on this assessment, Shell concluded that it would not reasonably pursue development of PRM in a timeframe or manner that is contemplated in the current applications. In addition, due to the time that has elapsed since 2007, Shell believes the amount of additional technical and environmental work that is required to revise the current PRM application is significant. For the foregoing reasons, Shell has elected to withdraw the current PRM applications.

Notwithstanding this decision, it is important to recognize that the oil sands, including PRM, remain a long-term strategic growth opportunity in Royal Dutch Shell's global portfolio. Shell may consider proceeding with a new application for the PRM project at a future date.

If you have any questions or concerns regarding this letter, please do not hesitate to contact Andrew Rosser via e-mail ([Andrew.Rosser@shell.com](mailto:Andrew.Rosser@shell.com)) or telephone (403-384-8728).

Yours truly,

<original signed by>

Andrew Rosser  
VP, Heavy Oil Sustainable Development and Regulatory  
Shell Canada Energy

cc: Jill Adams, JRP Secretariat  
Steven Van Lingen, AER Panel Manager (interim)  
Shawn Denstedt, Osler, Hoskin & Harcourt LLP  
Margwyn Zacaruk, Shell Canada Limited  
Sean Assie, Shell Canada Limited  
Scott Wytrychowski, Shell Canada Limited